

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6702

BILL NUMBER: SB 320

DATE PREPARED: Mar 22, 2001

BILL AMENDED: Mar 21, 2001

SUBJECT: Lead Poisoning Prevention.

FISCAL ANALYST: Bernadette Bartlett

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FUNDS AFFECTED: X

X

**GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill amends restrictions on lead-based paint activities. It sets the times for expiration and renewal of lead-based paint activities licenses, adjusts training requirements for licensure, provides for the issuance of licenses for clearance examiners, provides for training for clearance examiners, prohibits the use of certain methods to remove lead-based paint, and requires that removed paint be discarded. The bill establishes an exception under certain circumstances to paint removal and removed paint discarding restrictions for work on a home by the homeowner. It establishes the position of lead-safe interagency coordinator. The bill also allows the Department of Environmental Management to require applicants for certain accreditations or licenses involving asbestos and lead-based paint activities to provide their Social Security numbers as part of their applications.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) Expanding the issuance period of all disciplines of lead-based paint activity licenses to a four-year period will have an impact on the Department of Environmental Management (IDEM). Application/renewal fees range from \$50-\$150, depending on the discipline. (Fees are currently set by rule.) The fee revenue is deposited into the Lead Trust Fund. IC 13-17-14-6(f) provides that money in the fund must be used to pay expenses of administering the program and to cover other costs related to implementation of 40 CFR 745 for lead-based activities in target housing and child-occupied facilities. The fee covers the cost of administering the licensing program. Expanding the issuance period to a four-year period may result in less money being available to cover costs related to implementation of 40 CFR 745. Fees generated \$14,000 in 1999 and \$5,400 in 2000.

IDEM's administrative costs would be reduced if licenses are issued only once every 4 years, but if verification of refresher training is required to be submitted to IDEM every 2 years as proposed, administrative costs would increase by an indeterminable amount.

The bill also gives IDEM the authority to require applicants for lead-based paint and asbestos licenses to

provide their social security numbers on applications. This provision will not have a fiscal impact upon IDEM.

The proposal also requires IDEM to add the discipline of clearance examiners to rules pertaining to lead-based paint activity licences. Additional costs associated with rulemaking could be absorbed given the current IDEM budget. Any additional administrative costs resulting from adding the discipline of clearance examiner and clearance examiner training courses will be offset by the additional application/renewal fees which are designed to cover administrative costs.

Expenses associated with the lead-safe interagency coordinator would be minimal and absorbed with existing IDEM resources.

Any expenses associated with enforcement of work practice requirements would be absorbed with existing resources.

Explanation of State Revenues: (Revised) Expanding the issuance period of all disciplines of lead-based paint activity licenses to a four-year period could affect revenues collected. Application/renewal fees range from \$50-\$150. The fee revenue is deposited in the Lead Trust Fund. For FY 1999, \$14,050 was deposited in the fund with \$5,400 deposited in FY 2000.

IC 13-17-14-5(a)(8) provides that the oversight body “Establish a fee of not more than \$150 per person, per license, per year.” Whether the Air Pollution Control Board will amend the rules to change the amount of the fees or how often the fees are collected is uncertain. If fees are not changed and continue to be collected annually, money from fees would remain the same as current collection levels. If collected every two years, money in the fund would be reduced by 50%. If fees are collected every four years, money in the fund would be reduced by 75%. The impact on the fund is indeterminable and would be based on actions taken by the Board to change fee amounts and how often fees are collected.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Environmental Management.

Local Agencies Affected:

Information Sources: Erika Seydel Cheney, Director of the Office of Business and Legislative Relations, IDEM, (317) 232-8598.